

The Honorable John C. Coughenour

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

IDA V. CANLAS and OPHELLO S. CANLAS,

Plaintiffs,

v.

JPMORGAN CHASE BANK, N.A.; MUFG
UNION BANK, N.A., and does 1-10,

Defendants.

No. 2:18-CV-01175

JPMORGAN CHASE BANK,
N.A.'S DECLARATION IN
SUPPORT OF DEFENDANTS'
MOTION FOR SUMMARY
JUDGMENT OR
ADJUDICATION

Note on Motion Calendar:
November 1, 2019
(without oral argument)

I, Dorothy A. Washington, declare:

Identity of Declarant.

1. I am over the age of 18 and I am competent to testify to the facts set forth in this declaration.

Declarant's Authority.

2. I am duly authorized to make this declaration on behalf of JPMorgan Chase Bank, N.A. ("Chase"), both individually and as successor-by-merger to Chase Home Finance LLC. Chase is a national association; its principal business is banking. I am employed as a Doc Review Sr Specialist II with Chase. In my position and as part of my employment, I work on issues that give me familiarity with and access to Chase's business records in Chase's possession. Except as otherwise indicated, the facts set forth in this Declaration are

1 based on my personal knowledge, which is based on my review of Chase's relevant business
2 records, including Chase's servicing and business records relating to Ida V. and Ophello S.
3 Canlas's (the "Canlases") Note and Deed of Trust. The facts and documents set forth below
4 are maintained in the ordinary course of business, and if called upon to testify regarding such
5 factual matters, I could competently do so.

6 ***Basis for Declaration.***

7 3. I am familiar with the manner and procedure by which the records of Chase are
8 obtained, prepared, and maintained regarding the Canlases' loan, Note and Deed of Trust.
9 Those records are obtained, prepared, and maintained by employees or agents of Chase in the
10 performance of their regular business duties at or near the time, act, conditions, or events
11 recorded thereon. The records are made either by persons with knowledge of the matters they
12 record or from information obtained by persons with such knowledge. I have knowledge of
13 and access to the business records referenced below. I personally reviewed those records.
14 The business records submitted with this Declaration are all records made at or near the time
15 of the events, and acts recorded by individuals with personal knowledge of the events and
16 acts, were created or collected as part of Chase's regular practices, and were kept by Chase in
17 the course of its regularly conducted business activities.

18 ***The Loan Origination***

19 4. In connection with Chase's servicing duties, it received the loan origination
20 documents. On or about May 17, 2004, the Canlases obtained a loan from LoanCity.com in
21 the amount of \$312,000.00, evidenced by a promissory note ("Note") payable to
22 LoanCity.com that the Canlases signed. Attached to the Compendium of Exhibits as **Exhibit**
23 **1** is a redacted, but otherwise true and correct copy of the original Note. The original Note is
24 indorsed-in-blank. Chase scans and images its documents, like the Note and Deed of Trust,
25 when it receives them from other entities, so the scanned versions may not reflect the original,
26 wet-ink version. Chase or its agent has physical possession of the original Note (currently
27 held by its counsel, Davis Wright Tremaine LLP).

5. Along with the Note, the Canlases executed a Deed of Trust on property with the address of 10006 Linden Avenue North, Seattle, WA 98133 ("Property"), securing the Note ("Deed of Trust"). The Deed of Trust was recorded on May 24, 2004, with the county recorder under Instrument No. 20040524000480. Attached to the Compendium of Exhibits as **Exhibit 2** is a redacted, but otherwise true and correct copy of the recorded Deed of Trust. The Deed of Trust states the beneficiary can foreclose and sell the Property to satisfy the debt if the Canlases default. The Deed of Trust also states that the Note, together with the Deed of Trust, can be sold one or more times without prior notice to the Canlases.

Loan Transfers

6. On May 18, 2004, the Canlases acknowledged that LoanCity.com would transfer their loan servicing to another entity. Attached to the Compendium of Exhibits as **Exhibit 9** is a redacted copy of page two of the May 18, 2004 Servicing Disclosure Statement.

7. LoanCity.com's indorsement on the original Note to Washington Mutual Bank, FA ("WaMu") is dated May 24, 2004. LoanCity.com transferred the Note to WaMu, as shown by WaMu's in-blank Note indorsement. After investigating the matter, I determined that WaMu indorsed the Note in-blank and then sold the loan to Union Bank of California, N.A. on or about August 24, 2004, under a previously executed 2003 Mortgage Loan Purchase and Sale Agreement. (Union Bank of California, N.A. changed its name to Union Bank, N.A. in December 2008, then changed its name to MUFG Union Bank, N.A. in July 2014. Union Bank of California, N.A., Union Bank, N.A. and MUFG Union Bank, N.A. are referred to collectively herein as "Union Bank".) Attached to the Compendium of Exhibits as **Exhibit 3** is a redacted, but otherwise true and correct copy of the 2003 Mortgage Loan Purchase and Sale Agreement. The 2003 Mortgage Loan Purchase and Sale Agreement states that WaMu is the servicer for Union Bank. WaMu retained servicing under the 2003 Mortgage Loan Purchase and Sale Agreement, which WaMu and Union Bank reaffirmed under a 2006 Servicing Agreement. Attached to the Compendium of Exhibits as **Exhibit 4** is

1 a true and correct copy of the 2006 Servicing Agreement. Under the 2006 Servicing
2 Agreement, Union Bank agreed to release (or direct the Note custodian to release) the Note
3 and Deed of Trust to the servicer upon demand for the servicer to perform its servicing
4 activities, including foreclosure.

5 *Chase's Loan Servicing*

6 8. In September 2008, Washington Mutual Bank f/k/a Washington Mutual Bank,
7 FA failed and the Federal Deposit Insurance Corporation ("FDIC") took over as Washington
8 Mutual Bank's receiver. On September 25, 2008, the FDIC as receiver sold substantially all
9 of Washington Mutual Bank's assets to Chase under the Purchase and Assumption Agreement
10 between Chase and the FDIC, including the interest in the Note and Deed of Trust relating to
11 the Canlases' loan. Attached to the Compendium of Exhibits as **Exhibit 10** is a true and
12 correct copy of the Purchase and Assumption Agreement. Chase is the successor-in-interest
13 by purchase from the FDIC as Receiver of Washington Mutual Bank f/k/a Washington
14 Mutual Bank, FA. The Purchase and Assumption Agreement explains Chase "purchases all
15 mortgage servicing rights and obligations" of Washington Mutual Bank, which included the
16 servicing rights in the Canlases' loan.

17 9. Chase serviced the loan during 2008. Chase Home Finance LLC (a former
18 Chase subsidiary) serviced the loan starting in 2009 until Chase succeeded Chase Home
19 Finance LLC by merger on May 1, 2011. In a July 18, 2013 Letter Agreement, Union Bank
20 affirmed Chase was servicer and that the 2006 Servicing Agreement, as amended by the
21 Letter Agreement, still applied. Attached to the Compendium of Exhibits as **Exhibit 5** is a
22 redacted, but otherwise true and correct copy of the July 18, 2013 Letter Agreement between
23 Union Bank and Chase.

24 10. Chase was appointed Attorney-in-Fact through a Limited Power of Attorney
25 for MUFG Union Bank, N.A. since December 2014. Attached to the Compendium of
26 Exhibits as **Exhibit 6** is true and correct copy of the 2014 Limited Power of Attorney
27 document MUFG Union Bank, N.A. gave to Chase.

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3 *The Canlases' Default*

4 11. When Chase began servicing the loan in September 2008, the Canlases' loan
5 was not in default. The Canlases paid their loan payments to Chase after it acquired
6 Washington Mutual Bank's assets. The Canlases stopped making payments to Chase in
7 September 2009 for the payment due that month — one year after Chase began servicing the
8 loan. They made one payment in April 2010. They have not cured their default. Attached to
9 the Compendium of Exhibits as **Exhibit 11** is a redacted, but otherwise true and correct copy
10 of an Account Information document which was included with a May 25, 2017 letter
11 addressed to the Canlases. Attached to the Compendium of Exhibits as **Exhibit 12** is a
12 redacted, but otherwise true and correct copy of a Loan Information Report which was
13 included with an April 4, 2017 letter addressed to the Canlases.

14 12. The Canlases filed for Chapter 7 bankruptcy on August 21, 2009, listing
15 "Washington Mutual" as the creditor on their loan. Attached to the Compendium of Exhibits
16 as **Exhibit 13** is a redacted, but otherwise true and correct copy of the Bankruptcy Petition.

17 13. On September 2, 2009, the Canlases and their bankruptcy attorney authorized
18 Chase (identified as "Washington Mutual Bank, a division of JPMorgan Chase Bank NA") to
19 work with them to discuss loan loss mitigation options. Attached to the Compendium of
20 Exhibits as **Exhibit 14** is a redacted, but otherwise true and correct copy of the September 2,
21 2009 Authorization Form. The Canlases executed another authorization in October 2009,
22 again acknowledging Chase serviced their loan. Attached to the Compendium of Exhibits as
23 **Exhibit 15** is a redacted, but otherwise true and correct copy of the October 23, 2009
24 Authorization Form.

25 14. Chase repeatedly notified the Canlases that it serviced the loan for the investor,
26 Union Bank by letters dated August 13, 2013, December 9, 2014, March 23, 2017, May 17,
27 2017, and June 16, 2017. Attached to the Compendium of Exhibits as **Exhibit 16** is a

1 redacted, but otherwise true and correct copy of Chase's August 13, 2013 Letter. Attached to
2 the Compendium of Exhibits as **Exhibit 17** is a redacted, but otherwise true and correct copy
3 of Chase's December 9, 2014 Letter. Attached to the Compendium of Exhibits as **Exhibit 18**
4 is a redacted, but otherwise true and correct copy of Chase's March 23, 2017 Letter. Attached
5 to the Compendium of Exhibits as **Exhibit 19** is a redacted, but otherwise true and correct
6 copy of Chase's May 17, 2017 Letter. Attached to the Compendium of Exhibits as **Exhibit**
7 **20** is a redacted, but otherwise true and correct copy of Chase's June 16, 2017 Letter.

8 15. The Canlases sent Chase and Chase Home Finance LLC letters stating that
9 they wanted to pay the loan and requesting it be modified—thereby acknowledging Chase and
10 Chase Home Finance LLC serviced their loan. Attached to the Compendium of Exhibits as
11 **Exhibit 21** is a redacted, but otherwise true and correct copy of the Canlases' November 3,
12 2009 Letter. Attached to the Compendium of Exhibits as **Exhibit 22** is a redacted, but
13 otherwise true and correct copy of the Canlases' May 3, 2010 Letter. Attached to the
14 Compendium of Exhibits as **Exhibit 23** is a redacted, but otherwise true and correct copy of
15 the Canlases' June 24, 2010 Letter. Attached to the Compendium of Exhibits as **Exhibit 24** is
16 a redacted, but otherwise true and correct copy of the Canlases' July 1, 2010 Letter. Attached
17 to the Compendium of Exhibits as **Exhibit 25** is a redacted, but otherwise true and correct
18 copy of the Canlases' July 5, 2012 Letter. Attached to the Compendium of Exhibits as
19 **Exhibit 26** is a redacted, but otherwise true and correct copy of the Canlases' October 11,
20 2012 Letter. Attached to the Compendium of Exhibits as **Exhibit 27** is a redacted, but
21 otherwise true and correct copy of the Canlases' March 14, 2013 Letter. Attached to the
22 Compendium of Exhibits as **Exhibit 28** is a redacted, but otherwise true and correct copy of
23 the Canlases' November 25, 2013 Letter. Attached to the Compendium of Exhibits as
24 **Exhibit 29** is a redacted, but otherwise true and correct copy of the Canlases' April 9, 2014
25 Letter. Attached to the Compendium of Exhibits as **Exhibit 30** is a redacted, but otherwise
26 true and correct copy of the Canlases' April 21, 2015 Letter. Attached to the Compendium of
27 Exhibits as **Exhibit 31** is a redacted, but otherwise true and correct copy of the Canlases'

1 January 15, 2016 Letter. Attached to the Compendium of Exhibits as **Exhibit 32** is a
2 redacted, but otherwise true and correct copy of the Canlases' March 14, 2016 Letter.
3 Attached to the Compendium of Exhibits as **Exhibit 33** is a redacted, but otherwise true and
4 correct copy of the Canlases' July 10, 2016 Letter. Attached to the Compendium of Exhibits
5 as **Exhibit 34** is a redacted but otherwise true and correct copy of the Canlases' October 10,
6 2016 Letter. Attached to the Compendium of Exhibits as **Exhibit 35** is a redacted, but
7 otherwise true and correct copy of the Canlases' January 20, 2017 Letter. Attached to the
8 Compendium of Exhibits as **Exhibit 36** is a redacted, but otherwise true and correct copy of
9 the Canlases' October 29, 2018 Letter.

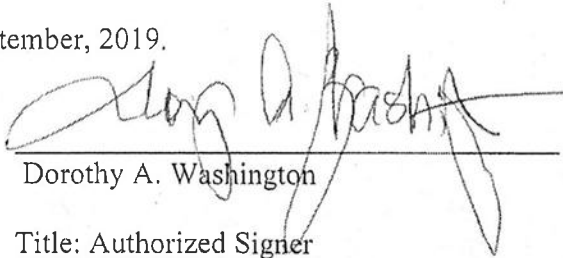
10 *Chase's Note Possession*

11 16. Chase received the Note and Deed of Trust on or about June 23, 2017, and
12 retained possession since that date; Chase sent the original Note and Deed of Trust to its
13 counsel, Davis Wright Tremaine LLP, on August 29, 2018.

14 *The Canlases' Current Debt*

15 17. As of September 30, 2019, the Canlases' Note has an unpaid principal balance
16 of \$273,169.85 and they owe \$118,966.51 in unpaid interest. Chase has also advanced
17 \$38,593.40 on their escrow account to pay taxes and insurance. The Canlases also owe
18 \$103.50 for recording fees, \$3,340.81 in corporate advances, \$1,830.00 in incurred attorney
19 fees, \$229.58 in incurred attorney costs, and \$100.00 in estimated attorney fees. The per diem
20 interest amount after October 27, 2019 is \$43.03. Including attorney fees and costs, recording
21 fees and advances, the Canlases must pay \$436,333.65 to pay off their loan through October
22 27, 2019. Attached to the Compendium of Exhibits as **Exhibit 37** is a redacted but otherwise
23 true and correct copy of a current Payoff Statement.

1 I declare under penalty of perjury under the laws of the state of Washington and the
2 United States that the foregoing facts are true and correct and this Declaration was executed at
3 Milwaukee, Wisconsin, this 30th day of September, 2019.

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5 _____
6 Dorothy A. Washington

7 Title: Authorized Signer
8 JPMorgan Chase Bank, N.A.
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CERTIFICATE OF SERVICE

I hereby certify that on October 10, 2019, I electronically filed the foregoing document with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the attorneys of record registered on the CM/ECF system. All other parties (if any) shall be served in accordance with the Federal Rules of Civil Procedure.

DATED this 10th day of October, 2019.

/s/Fred B. Burnside

Fred B. Burnside, WSBA #32491